



Rep. Dan Reitz

Filed: 5/26/2009

09600SB0039ham003

LRB096 03892 AMC 27419 a

1 AMENDMENT TO SENATE BILL 39

2 AMENDMENT NO. _____. Amend Senate Bill 39, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Pension Code is amended by
6 changing Sections 2-121 and 14-104 as follows:

7 (40 ILCS 5/2-121) (from Ch. 108 1/2, par. 2-121)

8 Sec. 2-121. Survivor's annuity - conditions for payment.

9 (a) A survivor's annuity shall be payable to a surviving
10 spouse or eligible child (1) upon the death in service of a
11 participant with at least 2 years of service credit, or (2)
12 upon the death of an annuitant in receipt of a retirement
13 annuity, or (3) upon the death of a participant who terminated
14 service with at least 4 years of service credit.

15 The change in this subsection (a) made by this amendatory
16 Act of 1995 applies to survivors of participants who die on or

1 after December 1, 1994, without regard to whether or not the
2 participant was in service on or after the effective date of
3 this amendatory Act of 1995.

4 (b) To be eligible for the survivor's annuity, the spouse
5 and the participant or annuitant must have been married for a
6 continuous period of at least one year immediately preceding
7 the date of death, but need not have been married on the day of
8 the participant's last termination of service, regardless of
9 whether such termination occurred prior to the effective date
10 of this amendatory Act of 1985.

11 (c) The annuity shall be payable beginning on the date of a
12 participant's death, or the first of the month following an
13 annuitant's death, if the spouse is then age 50 or over, or
14 beginning at age 50 if the spouse is then under age 50. If an
15 eligible child or children of the participant or annuitant (or
16 a child or children of the eligible spouse meeting the criteria
17 of item (1), (2), or (3) of subsection (d) of this Section)
18 also survive, and the child or children are under the care of
19 the eligible spouse, the annuity shall begin as of the date of
20 a participant's death, or the first of the month following an
21 annuitant's death, without regard to the spouse's age.

22 The change to this subsection made by this amendatory Act
23 of 1998 (relating to children of an eligible spouse) applies to
24 the eligible spouse of a participant or annuitant who dies on
25 or after the effective date of this amendatory Act, without
26 regard to whether the participant or annuitant is in service on

1 or after that effective date.

2 (c-5) Upon the death in service of a participant during the
3 90th General Assembly, the survivor's annuity shall be payable
4 prior to age 50, notwithstanding subsection (c) of this
5 Section, provided that the deceased participant had at least 6
6 years of service. This subsection (c-5) applies to the eligible
7 spouse of a deceased participant without regard to whether the
8 deceased participant was in service on or after the effective
9 date of this amendatory Act of the 96th General Assembly, and
10 retroactive benefits may be paid for periods of eligibility
11 after February 28, 2009.

12 (d) For the purposes of this Section and Section 2-121.1,
13 "eligible child" means a child of the deceased participant or
14 annuitant who is at least one of the following:

15 (1) unmarried and under the age of 18;

16 (2) unmarried, a full-time student, and under the age
17 of 22;

18 (3) dependent by reason of physical or mental
19 disability.

20 The inclusion of unmarried students under age 22 in the
21 calculation of survivor's annuities by this amendatory Act of
22 1991 shall apply to all eligible students beginning January 1,
23 1992, without regard to whether the deceased participant or
24 annuitant was in service on or after the effective date of this
25 amendatory Act of 1991.

26 (e) Remarriage of a surviving spouse prior to attainment of

1 age 55 shall disqualify the surviving spouse from the receipt
2 of a survivor's annuity, if the remarriage occurs before the
3 effective date of this amendatory Act of the 91st General
4 Assembly.

5 The changes made to this subsection by this amendatory Act
6 of the 91st General Assembly (pertaining to remarriage prior to
7 age 55) apply without regard to whether the deceased
8 participant or annuitant was in service on or after the
9 effective date of this amendatory Act.

10 (Source: P.A. 95-279, eff. 1-1-08.)

11 (40 ILCS 5/14-104) (from Ch. 108 1/2, par. 14-104)

12 Sec. 14-104. Service for which contributions permitted.
13 Contributions provided for in this Section shall cover the
14 period of service granted. Except as otherwise provided in this
15 Section, the contributions shall be based upon the employee's
16 compensation and contribution rate in effect on the date he
17 last became a member of the System; provided that for all
18 employment prior to January 1, 1969 the contribution rate shall
19 be that in effect for a noncovered employee on the date he last
20 became a member of the System. Except as otherwise provided in
21 this Section, contributions permitted under this Section shall
22 include regular interest from the date an employee last became
23 a member of the System to the date of payment.

24 These contributions must be paid in full before retirement
25 either in a lump sum or in installment payments in accordance

1 with such rules as may be adopted by the board.

2 (a) Any member may make contributions as required in this
3 Section for any period of service, subsequent to the date of
4 establishment, but prior to the date of membership.

5 (b) Any employee who had been previously excluded from
6 membership because of age at entry and subsequently became
7 eligible may elect to make contributions as required in this
8 Section for the period of service during which he was
9 ineligible.

10 (c) An employee of the Department of Insurance who, after
11 January 1, 1944 but prior to becoming eligible for membership,
12 received salary from funds of insurance companies in the
13 process of rehabilitation, liquidation, conservation or
14 dissolution, may elect to make contributions as required in
15 this Section for such service.

16 (d) Any employee who rendered service in a State office to
17 which he was elected, or rendered service in the elective
18 office of Clerk of the Appellate Court prior to the date he
19 became a member, may make contributions for such service as
20 required in this Section. Any member who served by appointment
21 of the Governor under the Civil Administrative Code of Illinois
22 and did not participate in this System may make contributions
23 as required in this Section for such service.

24 (e) Any person employed by the United States government or
25 any instrumentality or agency thereof from January 1, 1942
26 through November 15, 1946 as the result of a transfer from

1 State service by executive order of the President of the United
2 States shall be entitled to prior service credit covering the
3 period from January 1, 1942 through December 31, 1943 as
4 provided for in this Article and to membership service credit
5 for the period from January 1, 1944 through November 15, 1946
6 by making the contributions required in this Section. A person
7 so employed on January 1, 1944 but whose employment began after
8 January 1, 1942 may qualify for prior service and membership
9 service credit under the same conditions.

10 (f) An employee of the Department of Labor of the State of
11 Illinois who performed services for and under the supervision
12 of that Department prior to January 1, 1944 but who was
13 compensated for those services directly by federal funds and
14 not by a warrant of the Auditor of Public Accounts paid by the
15 State Treasurer may establish credit for such employment by
16 making the contributions required in this Section. An employee
17 of the Department of Agriculture of the State of Illinois, who
18 performed services for and under the supervision of that
19 Department prior to June 1, 1963, but was compensated for those
20 services directly by federal funds and not paid by a warrant of
21 the Auditor of Public Accounts paid by the State Treasurer, and
22 who did not contribute to any other public employee retirement
23 system for such service, may establish credit for such
24 employment by making the contributions required in this
25 Section.

26 (g) Any employee who executed a waiver of membership within

1 60 days prior to January 1, 1944 may, at any time while in the
2 service of a department, file with the board a rescission of
3 such waiver. Upon making the contributions required by this
4 Section, the member shall be granted the creditable service
5 that would have been received if the waiver had not been
6 executed.

7 (h) Until May 1, 1990, an employee who was employed on a
8 full-time basis by a regional planning commission for at least
9 5 continuous years may establish creditable service for such
10 employment by making the contributions required under this
11 Section, provided that any credits earned by the employee in
12 the commission's retirement plan have been terminated.

13 (i) Any person who rendered full time contractual services
14 to the General Assembly as a member of a legislative staff may
15 establish service credit for up to 8 years of such services by
16 making the contributions required under this Section, provided
17 that application therefor is made not later than July 1, 1991.

18 (j) By paying the contributions otherwise required under
19 this Section, plus an amount determined by the Board to be
20 equal to the employer's normal cost of the benefit plus
21 interest, but with all of the interest calculated from the date
22 the employee last became a member of the System or November 19,
23 1991, whichever is later, to the date of payment, an employee
24 may establish service credit for a period of up to 4 years
25 spent in active military service for which he does not qualify
26 for credit under Section 14-105, provided that (1) he was not

1 dishonorably discharged from such military service, and (2) the
2 amount of service credit established by a member under this
3 subsection (j), when added to the amount of military service
4 credit granted to the member under subsection (b) of Section
5 14-105, shall not exceed 5 years. The change in the manner of
6 calculating interest under this subsection (j) made by this
7 amendatory Act of the 92nd General Assembly applies to credit
8 purchased by an employee on or after its effective date and
9 does not entitle any person to a refund of contributions or
10 interest already paid. In compliance with Section 14-152.1 of
11 this Act concerning new benefit increases, any new benefit
12 increase as a result of the changes to this subsection (j) made
13 by Public Act 95-483 is funded through the employee
14 contributions provided for in this subsection (j). Any new
15 benefit increase as a result of the changes made to this
16 subsection (j) by Public Act 95-483 is exempt from the
17 provisions of subsection (d) of Section 14-152.1.

18 (k) An employee who was employed on a full-time basis by
19 the Illinois State's Attorneys Association Statewide Appellate
20 Assistance Service LEAA-ILEC grant project prior to the time
21 that project became the State's Attorneys Appellate Service
22 Commission, now the Office of the State's Attorneys Appellate
23 Prosecutor, an agency of State government, may establish
24 creditable service for not more than 60 months service for such
25 employment by making contributions required under this
26 Section.

1 (1) By paying the contributions otherwise required under
2 this Section, plus an amount determined by the Board to be
3 equal to the employer's normal cost of the benefit plus
4 interest, a member may establish service credit for periods of
5 less than one year spent on authorized leave of absence from
6 service, provided that (1) the period of leave began on or
7 after January 1, 1982 and (2) any credit established by the
8 member for the period of leave in any other public employee
9 retirement system has been terminated. A member may establish
10 service credit under this subsection for more than one period
11 of authorized leave, and in that case the total period of
12 service credit established by the member under this subsection
13 may exceed one year. In determining the contributions required
14 for establishing service credit under this subsection, the
15 interest shall be calculated from the beginning of the leave of
16 absence to the date of payment.

17 (1-5) By paying the contributions otherwise required under
18 this Section, plus an amount determined by the Board to be
19 equal to the employer's normal cost of the benefit plus
20 interest, a member may establish service credit for periods of
21 up to 2 years spent on authorized leave of absence from
22 service, provided that during that leave the member represented
23 or was employed as an officer or employee of a statewide labor
24 organization that represents members of this System. In
25 determining the contributions required for establishing
26 service credit under this subsection, the interest shall be

1 calculated from the beginning of the leave of absence to the
2 date of payment.

3 (m) Any person who rendered contractual services to a
4 member of the General Assembly as a worker in the member's
5 district office may establish creditable service for up to 3
6 years of those contractual services by making the contributions
7 required under this Section. The System shall determine a
8 full-time salary equivalent for the purpose of calculating the
9 required contribution. To establish credit under this
10 subsection, the applicant must apply to the System by March 1,
11 1998.

12 (n) Any person who rendered contractual services to a
13 member of the General Assembly as a worker providing
14 constituent services to persons in the member's district may
15 establish creditable service for up to 8 years of those
16 contractual services by making the contributions required
17 under this Section. The System shall determine a full-time
18 salary equivalent for the purpose of calculating the required
19 contribution. To establish credit under this subsection, the
20 applicant must apply to the System by March 1, 1998.

21 (o) A member who participated in the Illinois Legislative
22 Staff Internship Program may establish creditable service for
23 up to one year of that participation by making the contribution
24 required under this Section. The System shall determine a
25 full-time salary equivalent for the purpose of calculating the
26 required contribution. Credit may not be established under this

1 subsection for any period for which service credit is
2 established under any other provision of this Code.

3 (p) By paying the contributions otherwise required under
4 this Section, plus an amount determined by the Board to be
5 equal to the employer's normal cost of the benefit plus
6 interest, a member may establish service credit for a period of
7 up to 8 years during which he or she was employed by the
8 Visually Handicapped Managers of Illinois in a vending program
9 operated under a contractual agreement with the Department of
10 Rehabilitation Services or its successor agency.

11 This subsection (p) applies without regard to whether the
12 person was in service on or after the effective date of this
13 amendatory Act of the 94th General Assembly. In the case of a
14 person who is receiving a retirement annuity on that effective
15 date, the increase, if any, shall begin to accrue on the first
16 annuity payment date following receipt by the System of the
17 contributions required under this subsection (p).

18 (q) By paying the required contributions under this
19 Section, plus an amount determined by the Board to be equal to
20 the employer's normal cost of the benefit plus interest, an
21 employee who was laid off but returned to State employment
22 under circumstances in which the employee is considered to have
23 been in continuous service for purposes of determining
24 seniority may establish creditable service for the period of
25 the layoff, provided that (1) the applicant applies for the
26 creditable service under this subsection (q) within 6 months

1 after the effective date of this amendatory Act of the 94th
2 General Assembly, (2) the applicant does not receive credit for
3 that period under any other provision of this Code, (3) at the
4 time of the layoff, the applicant is not in an initial
5 probationary status consistent with the rules of the Department
6 of Central Management Services, and (4) the total amount of
7 creditable service established by the applicant under this
8 subsection (q) does not exceed 3 years. For service established
9 under this subsection (q), the required employee contribution
10 shall be based on the rate of compensation earned by the
11 employee on the date of returning to employment after the
12 layoff and the contribution rate then in effect, and the
13 required interest shall be calculated from the date of
14 returning to employment after the layoff to the date of
15 payment.

16 (r) A member who participated in the University of Illinois
17 Government Public Service Internship Program (GPSI) may
18 establish creditable service for up to 2 years of that
19 participation by making the contribution required under this
20 Section, plus an amount determined by the Board to be equal to
21 the employer's normal cost of the benefit plus interest. The
22 System shall determine a full-time salary equivalent for the
23 purpose of calculating the required contribution. Credit may
24 not be established under this subsection for any period for
25 which service credit is established under any other provision
26 of this Code.

1 (s) A member who worked as a nurse under a contractual
2 agreement for the Department of Public Aid, or its successor
3 agency, the Department of Human Services, in the Client
4 Assessment Unit and was subsequently determined to be a State
5 employee by the United States Internal Revenue Service and the
6 Illinois Labor Relations Board may establish creditable
7 service for those contractual services by making the
8 contributions required under this Section. To establish credit
9 under this subsection, the applicant must apply to the System
10 by July 1, 2008.

11 The Department of Human Services shall pay an employer
12 contribution based upon an amount determined by the Board to be
13 equal to the employer's normal cost of the benefit, plus
14 interest.

15 In compliance with Section 14-152.1 added by Public Act
16 94-4, the cost of the benefits provided by Public Act 95-583
17 are offset by the required employee and employer contributions.

18 (t) Any person who rendered contractual services on a
19 full-time basis to the Illinois Institute of Natural Resources
20 and the Illinois Department of Energy and Natural Resources may
21 establish creditable service for up to 4 years of those
22 contractual services by making the contributions required
23 under this Section, plus an amount determined by the Board to
24 be equal to the employer's normal cost of the benefit plus
25 interest at the actuarially assumed rate from the first day of
26 the service for which credit is being established to the date

1 of payment. To establish credit under this subsection (t), the
2 applicant must apply to the System within 6 months after the
3 effective date of this amendatory Act of the 96th General
4 Assembly.

5 (Source: P.A. 94-612, eff. 8-18-05; 94-1111, eff. 2-27-07;
6 95-483, eff. 8-28-07; 95-583, eff. 8-31-07; 95-652, eff.
7 10-11-07; 95-876, eff. 8-21-08.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.".